

October 23, 2002

Creating a More Cost-Efficient Process for Partner Artwork Collection

American Express Membership Rewards

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D I G I T A S

The Digitas team that supports the American Express Membership Rewards (MR) business has developed a recommendation for improving the partner artwork collection process

The purpose of today's meeting is to provide the MR team with Digitas' evaluation of the current process, identify the MR team's (Marketing, Business Alliances, etc.) business needs and review the recommended solution

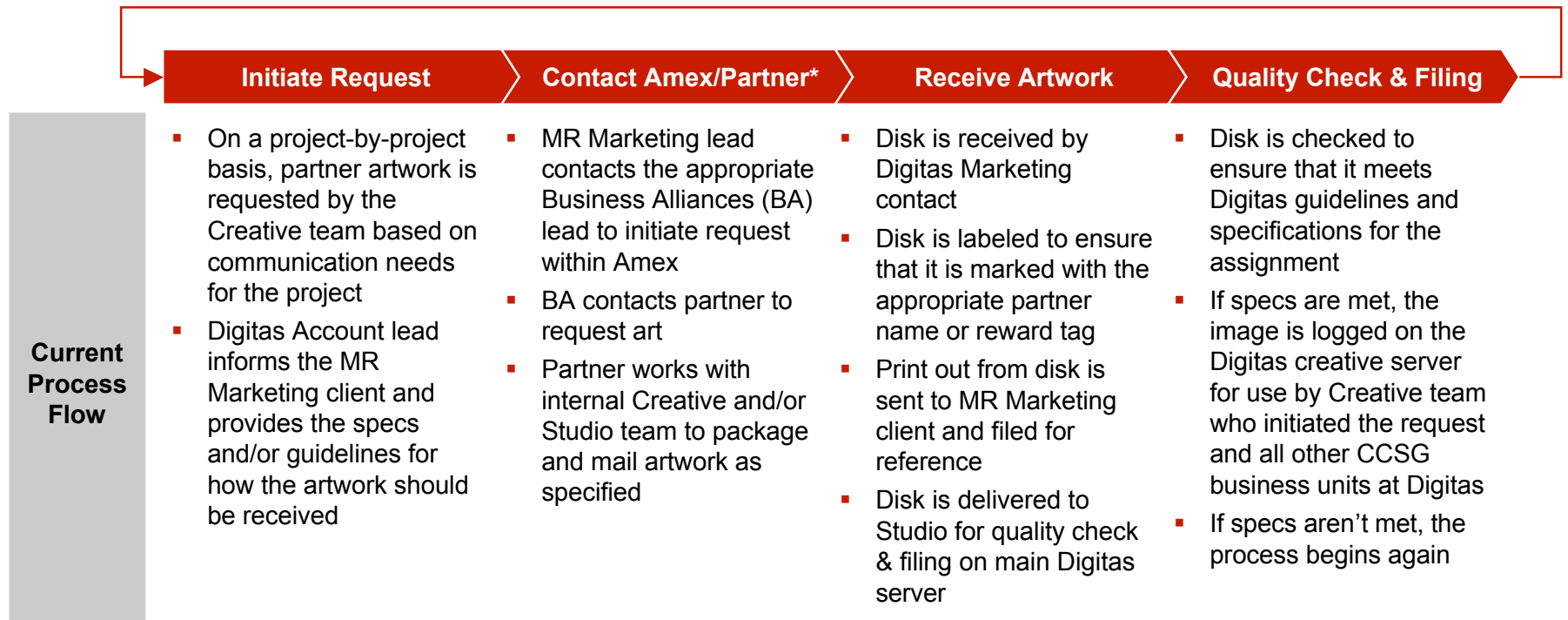
Digitas has received approval to pursue this solution from the MR Marketing Director, who was enthusiastic when previewed and is anxious to improve the current process. The goal is to use today's discussion to guide the follow-up presentation with other MR Directors and key Managers within the MR Marketing and Business Alliances (BA) teams at American Express

Over the past few years, MR has expanded to multiple tiers across multiple products. At the same time, the number of stakeholders that “touch” MR has also increased. As a result, there needs to be a cost-efficient tool/process to ensure quality and consistency across all stakeholders

Primary Stakeholders	MR Tiers/Versions
<ul style="list-style-type: none">▪ MR Marketing Communications & Bonus Points teams▪ MR Business Alliances team▪ Program Partners & Participating Merchants▪ Amex Charge Card & Lending Product Marketing Teams▪ Agency Partners (Digitas, Ogilvy & Mather, Seigelgale Time Inc., CreativeMedia & Rymax)▪ Third-party Vendors (Fala and any other production or fulfillment house)	<ul style="list-style-type: none">▪ Membership Rewards Options<ul style="list-style-type: none">– Legacy Charge– Revitalized Charge– Lending▪ Membership Rewards<ul style="list-style-type: none">– Legacy Charge– Revitalized Charge▪ Membership Rewards Plus

To help better understand the challenges with the current process, we've outlined the current flow for partner artwork collection and archival within Digitas

Although other agency partners (Time Inc., Rymax, etc.) may have their own internal processes, the flow from initiation of request through receipt of artwork is largely the same across all stakeholders



* The same steps within this process are also followed when artwork requests need to be handled directly with another agency partner or third-party vendor. Rather than the MR Marketing lead contacting BA, they would contact the agency partner to initiate the request

Based on the current process flow, the following are challenges we've identified* across three key categories: **quality control/creative consistency, overall efficiency (time & money) and ease of communication between stakeholders**

Quality Control/Creative Consistency

- There is no central location for artwork to be shared with all stakeholders which would ensure consistency in how partner artwork is featured in all communications
- Pre-production and print production quality standards are difficult to meet when artwork is collected on an individual project basis

Efficiency (Time & Cost)

- Too many man hours are wasted requesting and submitting artwork which takes time away from business productivity (i.e., creative development and execution)
- There are too many manual steps in the process which drives costs billed to Amex and creates "wait time" between the artwork request and artwork submission (estimated timeframe is 3-5 business days)
- Multiple stakeholders have their own pricing structure and process for collecting partner artwork which can potentially lead to Amex being billed for the same artwork collection tasks by multiple agency partners

Facilitation of Communication

- Several requests are often made for the same image by multiple agency partners which means that BA and Program Partners are being over-burdened with the artwork collection task, making it frustrating to work with the agencies
- Artwork submission guidelines (i.e. high resolution, full size imagery, etc.) are difficult to enforce when the guidelines are being translated through the multiple parties involved in initiating the request which often leads to consistency and quality issues
- Some images are submitted in formats and specs that don't allow for use beyond a single assignment which then requires the business partner to re-request artwork when other communication needs come up

* This evaluation is informed by the Digitas Marketing and Creative teams that have worked on the MR business for the past 3-4 years. This team has had experience developing annual program guides, cataloging and maintaining partner artwork from 1999-2001 and has led project post-mortem discussions with MR Marketing and Business Alliances teams at American Express

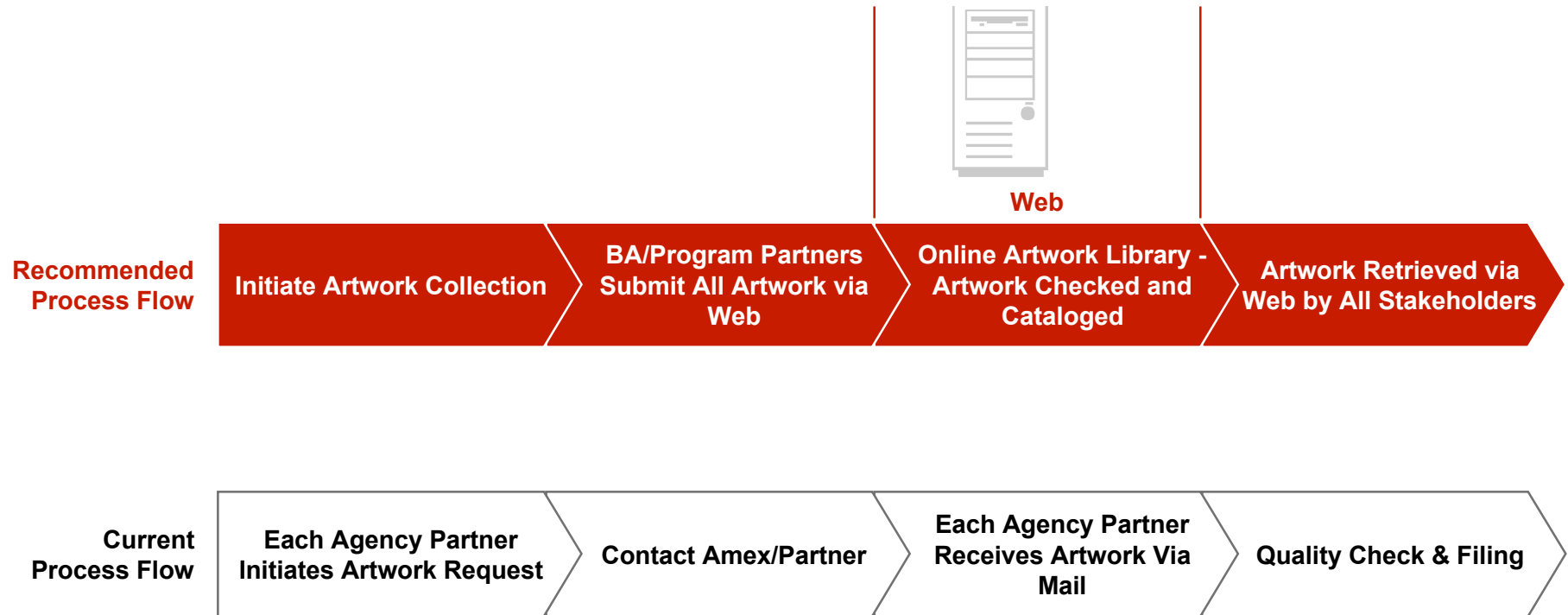
As MR continues to expand across multiple Card products with several program tiers, and as more agency partners own different aspects of the MR communication stream, it is even more important that the partner artwork collection process be improved to support the following business needs:

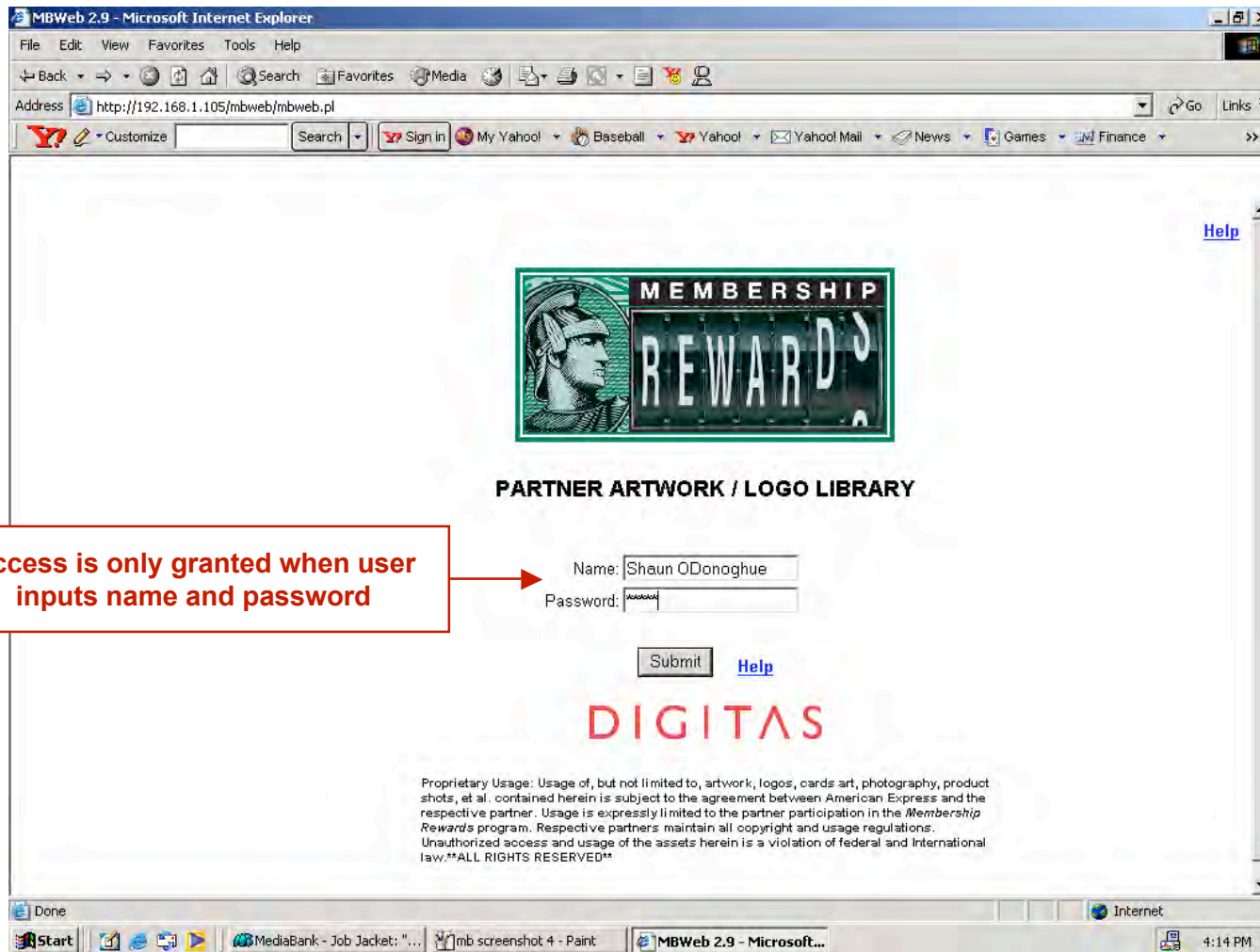
- Cost-efficient collection
- On-time delivery/speed-to-market
- Quality controls to deliver best-in-class creative
- Productive working relationships with all stakeholders

DIGITAS | Recommended Solution

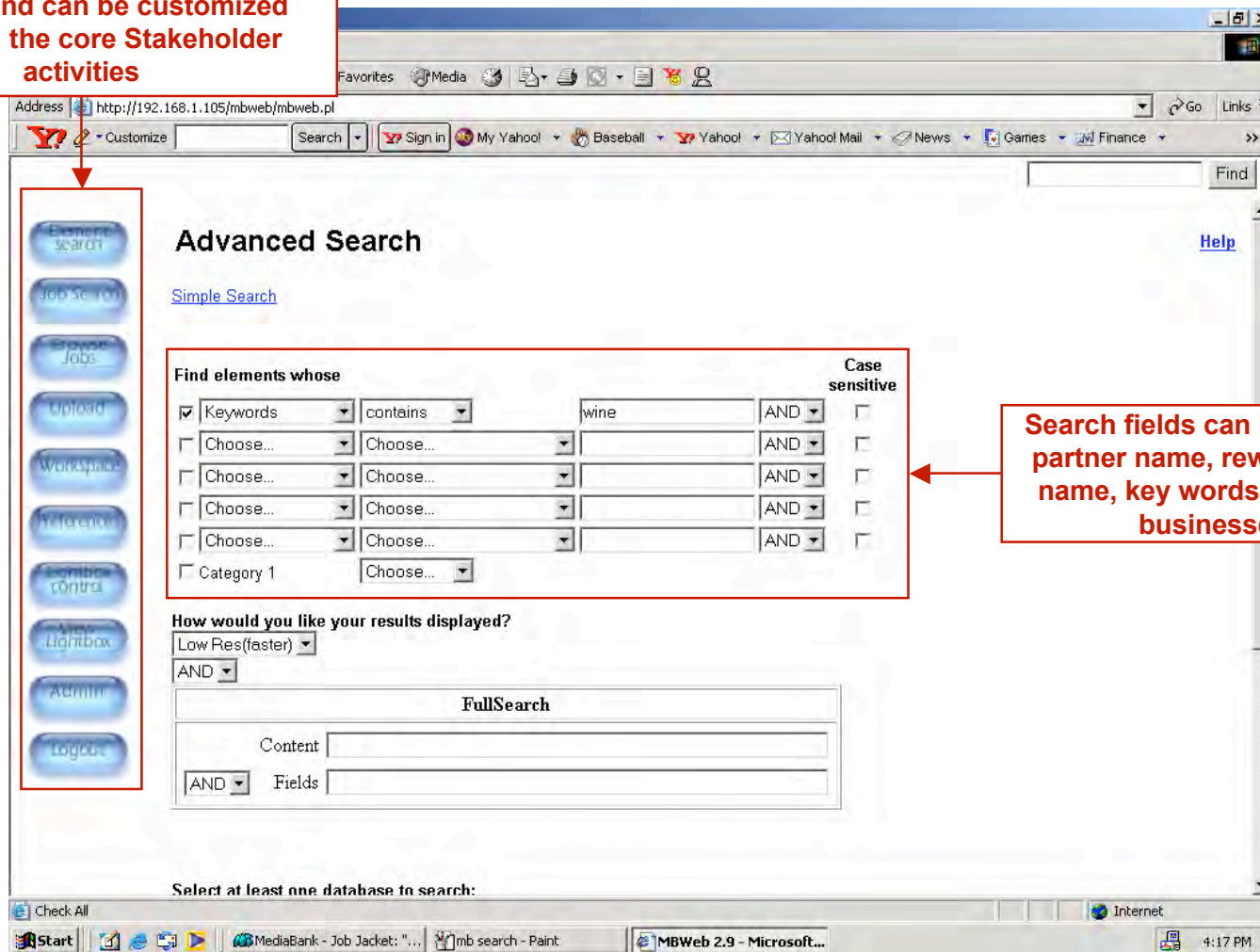
In an effort to address the challenges we face with the current process and to meet MR's needs, Digitas' recommended solution is to utilize a **digital asset management system**, that can support the various ways that Marketing, Creative and Production teams within Amex and other agency partners will need to work with BA/program partners to collect and track MR's image assets (logos, stock photography, illustrations, partner art).

	Tool Description
Cost Efficient, Time Saver	<ul style="list-style-type: none"> ▪ Efficient – a proven time and money saver! <ul style="list-style-type: none"> – Reduces man hours and wait time between artwork request and actual submission – Diminishes the need for multiple parties to be involved which saves Amex money and eliminates frustration – Software is already purchased by Digitas; No licensing fees apply to Amex or any other stakeholder – Leverages the existing infrastructure and software for a tool that has been used by many companies with similar business needs
Easy to Use	<ul style="list-style-type: none"> ▪ Web based tool that enables easy, permission based access from any web browser on any platform (PC or MAC) <ul style="list-style-type: none"> – Easy interface that can be customized to meet various stakeholder needs with a short learning curve for the stakeholders to begin accessing and utilizing the tool – Digital, centralized repository for artwork collection with extensive data storage abilities – Access levels/rights can be defined by Amex – Username and password protected on an individual user level – 24-hour technical support via a toll-free number
Meets all Stakeholders Needs	<ul style="list-style-type: none"> ▪ Enhanced search capabilities that meet the needs of all stakeholders <ul style="list-style-type: none"> – MR Marketing may want to search by rewards category or type, project name, partner – Business Alliances may want to search by partner, image name or image description – Program Partners may want to search by image ID #, image name or keyword – Agency Partners may want to search by file name, project job code, creative team member
Quality & Consistency	<ul style="list-style-type: none"> ▪ Pre-defined systematic quality controls ensures that artwork is submitted and cataloged based on multi-use requirements as well as pre-production/production standards <ul style="list-style-type: none"> – Rules can be defined to reject artwork that does not meet guidelines – System has audit trail to monitor checking in, checking out and logging of artwork – System can create and send email alerts to pre-defined stakeholder(s) to monitor all system tasks – All partner artwork can be cataloged with comments and mandatories attached directly with the piece of art

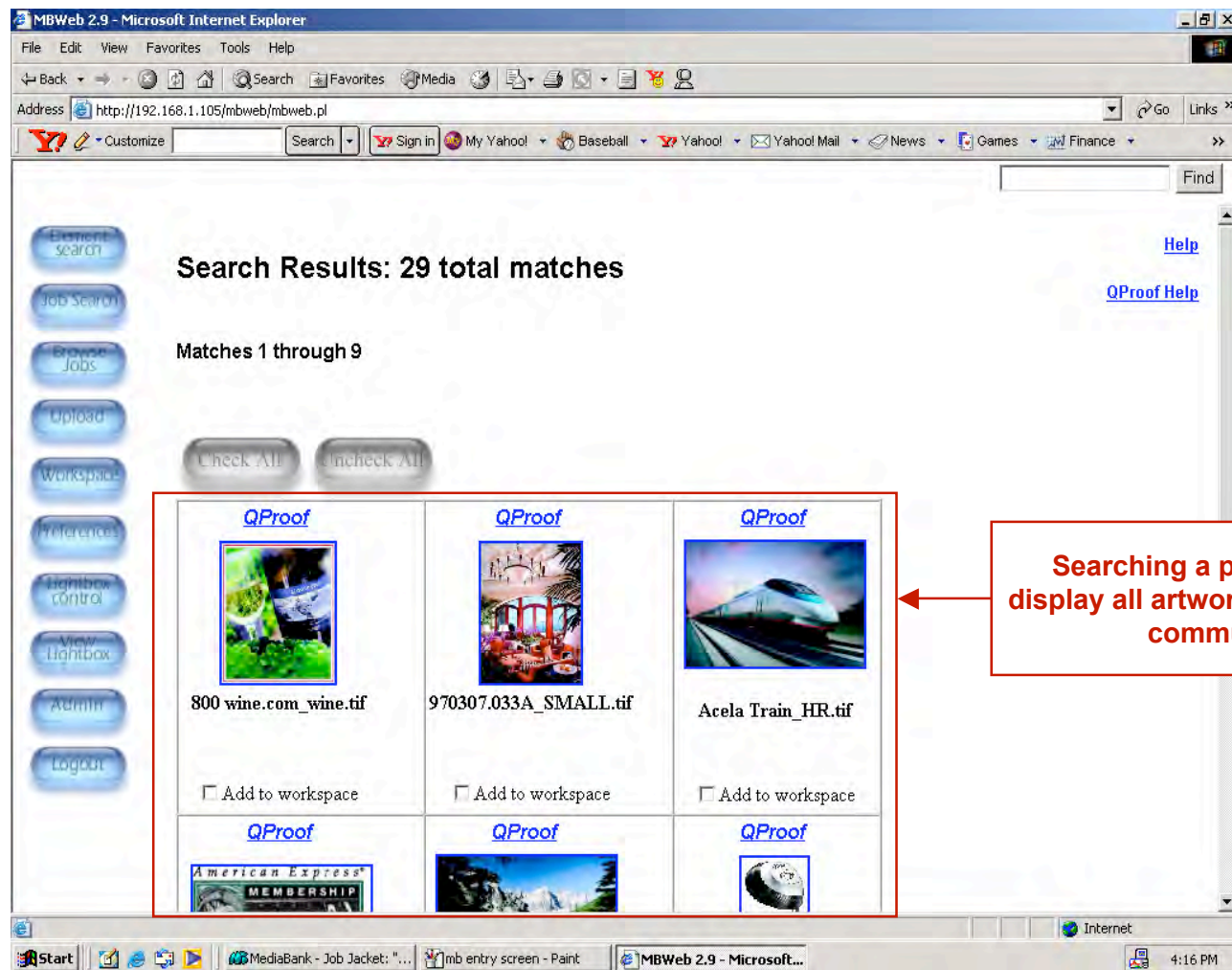


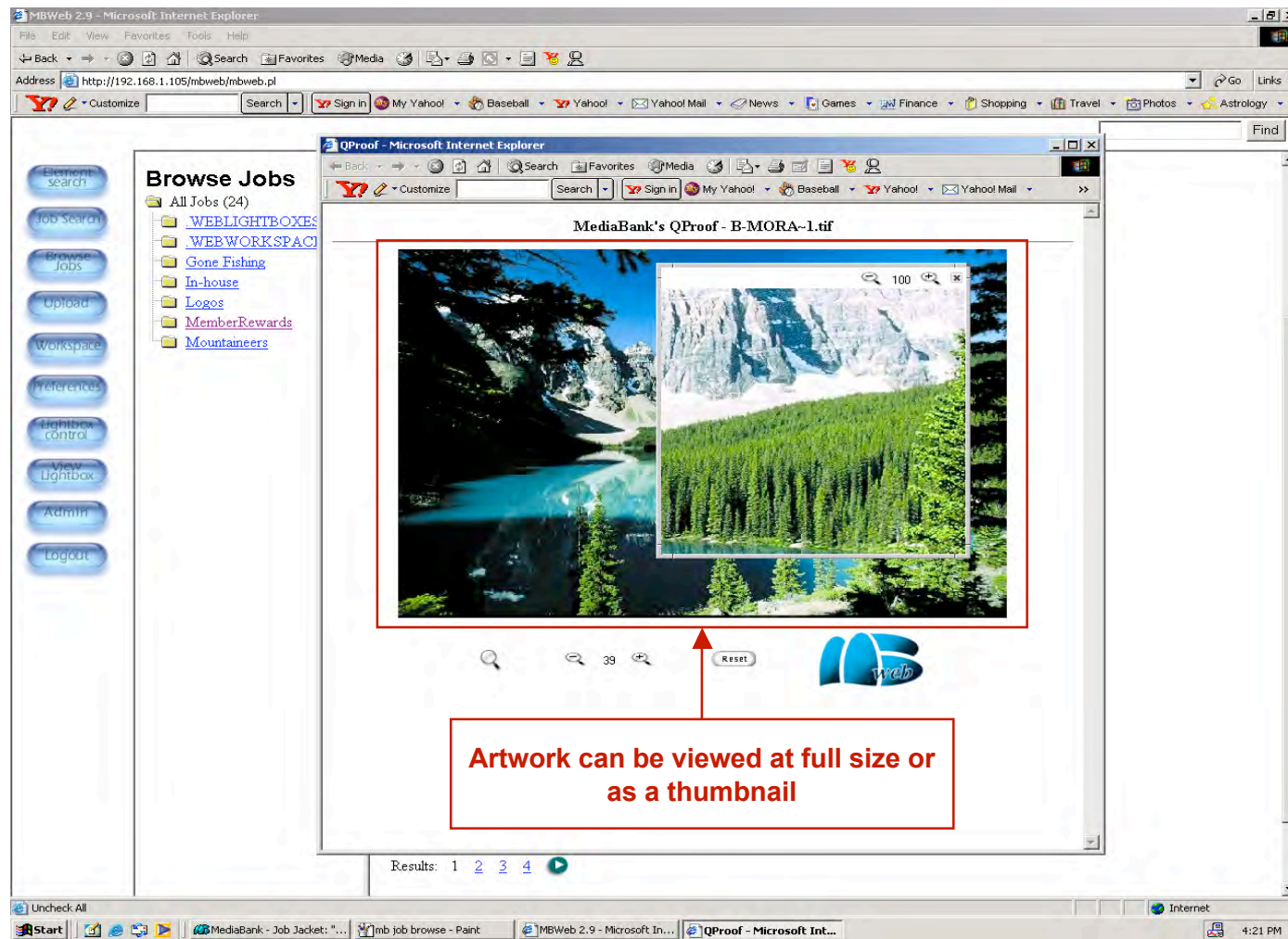


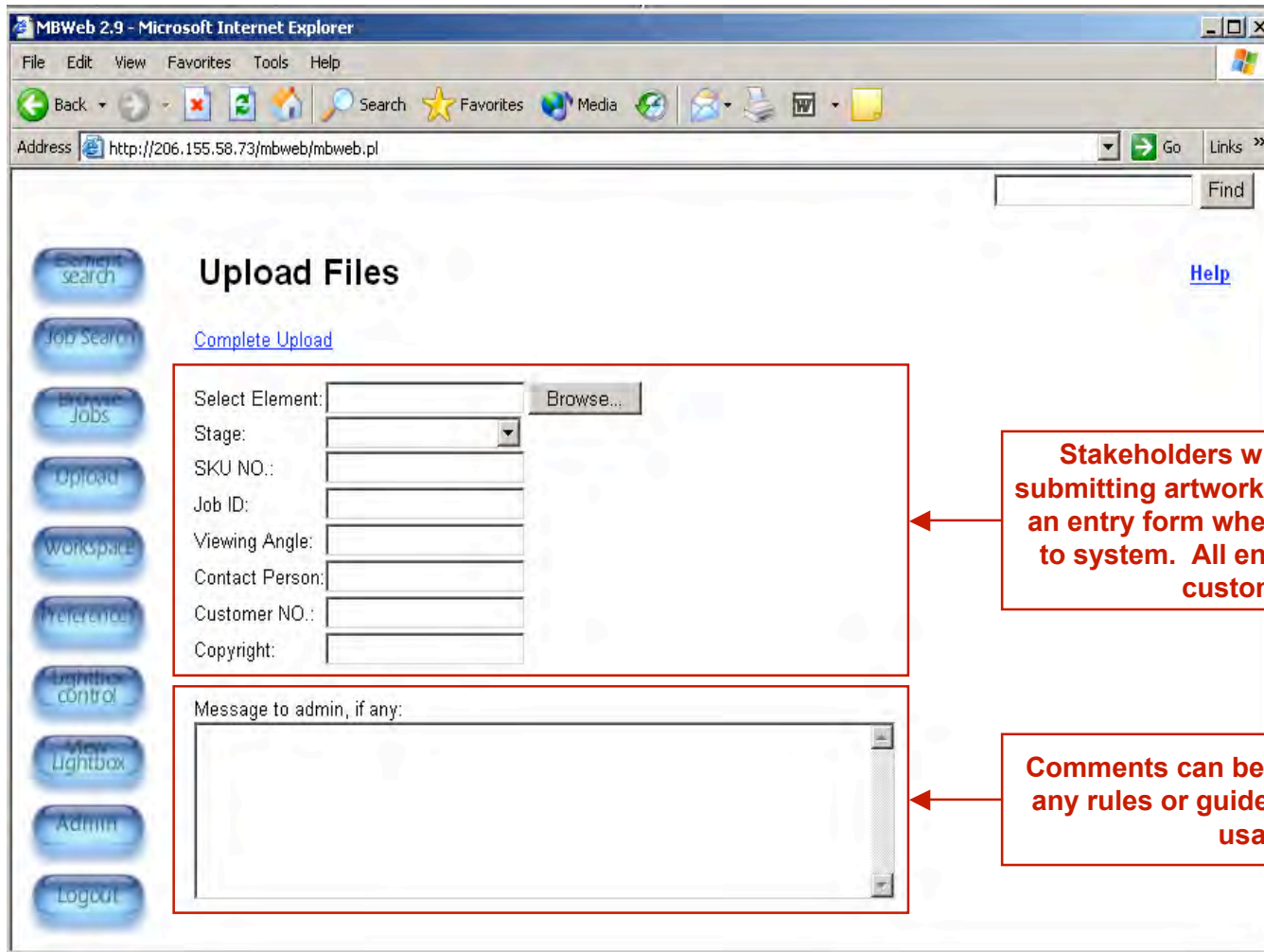
Task bar is the main navigational element and can be customized based on the core Stakeholder activities



Search fields can be customized by partner name, reward type, project name, key words, etc. to meet the businesses needs







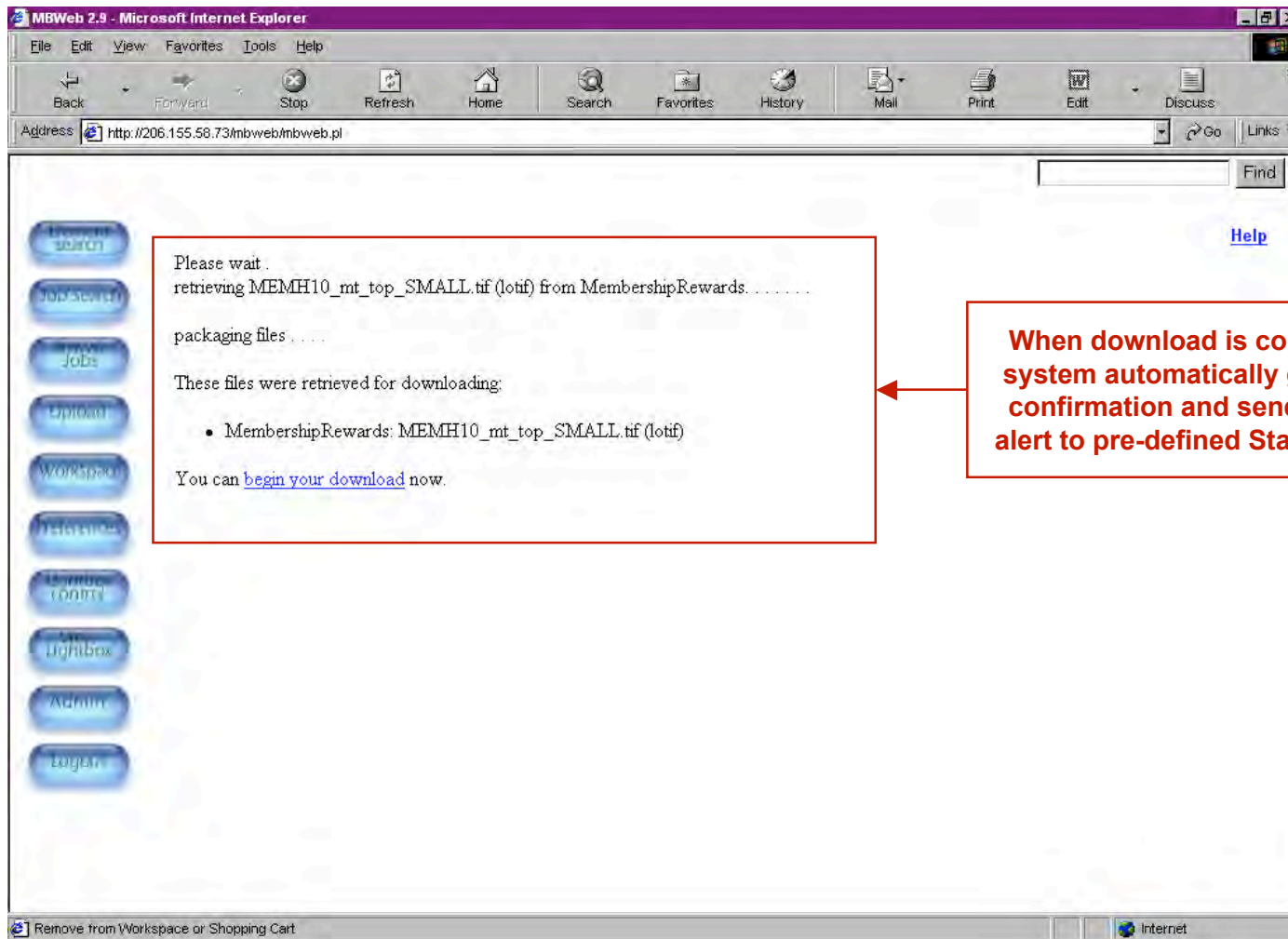
Stakeholders with upload (i.e., submitting artwork) access complete an entry form when adding artwork to system. All entry fields can be customized

Comments can be added to specify any rules or guidelines for artwork usage

The screenshot shows a web browser window titled "MBWeb 2.9 - Microsoft Internet Explorer" with the address bar displaying "http://206.155.58.73/mbweb/mbweb.pl". The main content area is titled "Shaun ODonoghue's Workspace" and includes a search bar and a sidebar with navigation buttons like "Search", "Job Search", "Jobs", "Upload", "Workspace", "References", "Community", "Lightbox", "Admin", and "Logout".

In the center, there are six action buttons: "Remove All Selections", "Download All Lo-Res Files", "Download All Hi-Res Files", "Order All Original Files", "Add All to Lightbox", and "Add All to Reports". A red box highlights these buttons, with an arrow pointing to a callout box that says: "Stakeholders can download artwork in either low or high resolution, depending on their needs".

Below the action buttons, there are three columns of artwork thumbnails, each with a "QProof" label and a set of control icons. The first column shows a wine-related image with the filename "800_wine.com_wine.tif", File Type: TIFF, Creator: SBIM, Category 1: Foods, and Category 2: Drinks. The second column shows a scenic image with the filename "970307.033A_SMALL.tif", File Type: TIFF, Creator: SBIM, Category 1: Soenery, and Category 2: Island. The third column shows a train image with the filename "Acela Train_HR.tif", File Type: TIFF, Creator: SBIM, Category 1: Vehicles, and Category 2: Trains.



Because this tool has been licensed by Digitas, there are only two types of charges that will apply to Amex: **upfront customization and ongoing maintenance/administration**

The upfront charge is a one-time charge for planning and customizing the tool (adding MR specific entry and search fields, adding language to make the interface easier to use, etc.) to make it operational by all MR stakeholders. Once operational, there is an ongoing charge for maintaining and administering the tool

All estimates and assumptions are preliminary and will need to be validated against the actual level of customization Amex desires

Scope of Work	Ballpark Estimate	Preliminary Assumptions
Upfront Customization: Option 1 - Reduced Scope	\$70,000 - \$100,000	<ul style="list-style-type: none"> 5-8 prioritized tasks/flows 15 – 24 screens customized
Upfront Customization: Option 2 - Full Scope	\$100,000 - Plus	<ul style="list-style-type: none"> 11 tasks/flows customized based on the full system as it appears today 33 – 44 screens customized
Ongoing Maintenance and Administration	\$45,000 - \$55,000 Annual (\$11,250 – \$13,750 per quarter)	<ul style="list-style-type: none"> Content Manager Marketing, Art Director reviewing and monitoring cataloging 24 hour/day Creative Technology support

Because artwork collection has been handled on a per-project basis, American Express spent roughly \$90,000 - \$150,000 with Digitas for partner artwork collection/archival every year

There are a number of 2003 communications currently in development (e.g., Program Guides, Welcome Kits, etc.) so Digitas would like to make this tool operational for MR's stakeholders as soon as possible. In order to do this, following are the immediate next steps:

- 10/22, American Express to provide reactions on the presentation
- W/e 10/22, Digitas to prepare for key stakeholder follow-up presentation
- W/e 10/28, Digitas to conduct follow-up presentation for all key stakeholders
- W/e 10/28, Key stakeholders to provide Digitas with approval to use tool as the central artwork repository going forward
- W/e 11/4, Stakeholders to outline business needs and begin scoping level of customization

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